



NEWS RELEASE

Polaris Declares Regular Cash Dividend and Announces Covenant Relief

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Retail Environment Continues Sharp Recovery

Covenant Relief Provides Additional Financial Flexibility

Maintains Quarterly Dividend

MINNEAPOLIS--(BUSINESS WIRE)-- Polaris Inc. (NYSE: PII) today announced a sharp turnaround in its business performance, the declaration of a regular quarterly cash dividend and amended covenant agreements.

"I am extremely proud of the resiliency and dedication of our Polaris team, as their agility has enabled our response to the unexpectedly sharp recovery we are seeing, which in many cases has meant unprecedented demand for our brands and vehicles," said Scott Wine, Polaris Chairman and CEO. "The influx of new customers to our dealerships is very encouraging, as people seeking fun family activities while social distancing recognize that our vehicles and "Think Outside" tagline resonate with their desires. With demand rapidly accelerating, bringing our global plant network back online – including the recent resumption of production at our Monterrey facility – provides an important sign of normalcy for our business. While we are pleased by current developments, we continue to act prudently to drive business success and remain watchful for a more difficult economic environment. The actions we are announcing today allow us to maintain strong financial flexibility while continuing to return capital to our shareholders, proving our ongoing commitment to deliver shareholder value despite the macroeconomic uncertainty we are facing."

Dividend



Polaris announced today that its Board of Directors have declared a regular quarterly cash dividend of \$0.62 per share payable on June 15, 2020 to shareholders of record at the close of business on June 5, 2020.

Covenant Relief

To further enhance Polaris' liquidity and ensure full availability under its credit agreement, today the Company and its partner lenders and noteholders amended their arrangements to favorably adjust the existing financial covenants. Under the revised agreements, the Company's maximum leverage ratio temporarily increases from 3.5 to 1 to 4.75 to 1. This covenant relief, which will be in place until March 31, 2021, is structured to provide Polaris the ability to maximize the use of its existing credit facility, allowing for increased liquidity and flexibility should there be any additional unexpected negative impact on the business resulting from the COVID-19 pandemic.

About Polaris

As the global leader in Powersports, Polaris Inc. (NYSE: PII) pioneers product breakthroughs and enriching experiences and services that have invited people to discover the joy of being outdoors since our founding in 1954. With annual 2019 sales of \$6.8 billion, Polaris' high-quality product line-up includes the Polaris RANGER®, RZR® and Polaris GENERAL™ side-by-side off-road vehicles; Sportsman® all-terrain off-road vehicles; Indian Motorcycle® mid-size and heavyweight motorcycles; Slingshot® moto-roadsters; snowmobiles; and deck, cruiser and pontoon boats, including industry-leading Bennington pontoons. Polaris enhances the riding experience with parts, garments, and accessories, along with a growing aftermarket portfolio, including Transamerican Auto Parts. Polaris' presence in adjacent markets includes military and commercial off-road vehicles, quadricycles, and electric vehicles. Proudly headquartered in Minnesota, Polaris serves more than 100 countries across the globe. www.polaris.com

Forward Looking Statements

Except for historical information contained herein, the matters set forth in this news release, including management's expectations regarding 2020 future sales and demand for our products, the enhanced ability of the Company to mitigate an economic downturn given its broadened portfolio, future shipments, net income, and net income per share, future cash flows and capital requirements and the ability to access credit facilities, operational initiatives, and the potential impact of the evolving COVID-19 pandemic, are forward-looking statements that involve certain risks and uncertainties that could cause actual results to differ materially from those forward-looking statements. Potential risks and uncertainties include such factors as the severity and duration of the evolving COVID-19 pandemic and the resulting impact on the Company's business and the global economy; the Company's ability to successfully implement its manufacturing operations expansion and supply chain initiatives, product offerings, promotional activities and pricing strategies by competitors; economic conditions that impact consumer spending; disruptions in manufacturing facilities; acquisition integration costs; product recalls, warranty

expenses; impact of changes in Polaris stock price on incentive compensation plan costs; foreign currency exchange rate fluctuations; environmental and product safety regulatory activity; effects of weather; commodity costs; freight and tariff costs (tariff relief or ability to mitigate tariffs); changes to international trade policies and agreements; uninsured product liability claims; uncertainty in the retail and wholesale credit markets; performance of affiliate partners; changes in tax policy; relationships with dealers and suppliers; and the general overall economic and political environment. Investors are also directed to consider other risks and uncertainties discussed in documents filed by the Company with the Securities and Exchange Commission. The Company does not undertake any duty to any person to provide updates to its forward-looking statements.

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